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FISCAL IMPACT REPORT

ORIGINAL DATE 1/25/2006

SPONSOR Wirth LAST UPDATED _____ HB 378

SHORT TITLE Legal Services for Low-Income Persons SB _____

ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$2,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 316

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of Bill

House Bill 378 appropriates \$2,000,000 from the General Fund to the Civil Legal Services Fund for expenditure in FY 2007 and subsequent fiscal years to contract for legal assistance to low-income persons.

At least \$1,000,000 of the appropriation shall be for a single statewide legal services program with at least five offices that already provides direct legal services to low-income persons (New Mexico Legal Aid).

The remainder will be allocated by the Civil Legal Services Commission to other not-for-profit legal services providers.

FISCAL IMPLICATIONS

The appropriation of \$2,000,000 contained in this bill is a recurring expense to the General Fund by reference to FY 2007 and "subsequent fiscal years."

Any unexpended or unencumbered balance remaining at the end of FY 2007 shall not revert.

SIGNIFICANT ISSUES

The AOC estimated that up to 80% of legal needs of low-income New Mexicans are unmet. Examples of unmet needs include uncollected child support, failures to dissolve abusive marriages, and unnecessary evictions.

In the current funding cycle, the Commission had requests of \$3.0 million from 16 legal services providers and \$1.4 million to allocate.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 378 is related to SB 316 except that SB 316 does not make reference to “subsequent fiscal years.”

BMC/mt:nt